



Ineffectiveness or misuse of EU funds

Synthesis report of case studies from ERGO Network members in 4 countries

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Background

In 2020, in the framework of ERGO Network's Work Programme "Roma Included in Social Europe" funded by DG EMPL, ERGO members from Romania (Policy Centre for Roma and Minorities), Bulgaria (Integro Association), Hungary (Butterfly Development) and Slovakia (Roma Advocacy and Research Centre) conducted case studies to support monitoring of funds and to contribute to a better design of funding programmes.

More specifically, the case studies aimed to:

- provide evidence of ineffectiveness and/or misuse of EU funds to the EC and managing authorities (not fulfilling the enabling conditions – not contributing to diversity, participation, combating discrimination)
- give recommendations on how to design more effective funding programmes for of Roma inclusion
- increase awareness of the importance of transparency in funding

The individual case studies can be downloaded at the end of each summary.

This synthesis report has been prepared by Isabela Mihalache, Senior Policy Officer of the ERGO Network.

Description of the case studies

Bulgaria

The case studied by Integro Association shows in the effectiveness of the European Social Funds (ESF) axis "Socio-economic integration of vulnerable groups", which is routinely the funding line used for Roma communities. The study looked at the implementation of Component 1. Component 2 started in 2020 and is currently in the implementation phase. Usually, under Component 1, small municipalities apply while under Component 2 only large municipalities with developed *Integrated Plan for Urban Development* and a component for the construction of social housing are eligible to apply. The programme received a fairly large allocation of resources (a total of BGN 70 million (almost 36 Million €) was allocated for component 1), while a municipality could apply for funding for up to 445,000 €. An explicit condition for the development of projects was the creation of a public-private partnership between the municipality, the private sector and NGOs, including Roma organizations.

The main goal of the procedure was to contribute to improving the quality of life, social inclusion and poverty reduction, as well as to integrate the most marginalized communities, including Roma, through the implementation of complex measures and the application of an integrated approach. Over 90% of the target group were Roma. The projects were expected to be integrated in terms of funding from different operational programmes in a comprehensive approach to solve the problems of vulnerable families in different areas - improving access to employment, quality education, social and health services, developing local communities and overcoming stereotypes. 78 municipalities submitted proposals, and 49 projects were approved with project proposals worth about 13,300,000 € in total.

The analysis provided by the Bulgarian case study shows that after the finalization of the implementation of the project activities under this procedure, the expected impact was not achieved due to improper project planning preparation, overly demanding implementation guidelines and

requirements for NGOs and poor management of the producer and managing authority level, including regarding reporting requirements. The case study concludes that despite many funded projects mainly through EU funds (ESF), the situation of Roma was only temporarily alleviated rather than improved; and that we see a deepening gap in the situation of Roma, especially for those living in ghettos, as well as a sharpening of interethnic conflicts. In addition, the lack of sustained financial investment and structural and institutional vision on the side of the government has had a considerable impact on the lack of lasting improvement for the situation of Roma. The main source of EU funding used by Bulgaria has been under the “Socio-economic integration of vulnerable groups” funding programme – and in particular - Integrated Measures for Improving Access to Education and *Integrated Plan for Urban Development*. In most cases, problems started to appear during the preparation and implementation.

Download the case study [here](#).

Hungary

The case study of Pro Cseherat focused on a training and employment program launched in 2012. The aim of the programme was to improve the social inclusion and employment of Roma people by promising employment opportunity for 750 - 1,000 Roma women after training them in the social and child welfare system, for their employment for 3 months on condition that the employer would hire them for a year. It was also expected that Romani women participating in the training would serve as a link between social institutions and persons who had not resorted to the social, child welfare and child protection services. The program was implemented by the National Roma Minority Self-Government (NRMSG) in cooperation with the Türr István Training and Research Institute (TITRI background institute of the MoHC). As for the results of the program, no reliable figures were found. According to data received once from the Ministry (MoHC), 499 persons out of 1,1007 registrants worked in their learned social and educational profession in 2017, due to shortcomings in the design of the program, the miscalculated targeting of employment support and, above all, the lack of professional expertise of the implementing organizations. The NRMSG proved rather unsuitable to implement the program due to lack of experience, expertise and capacity needed for such a complex initiative while their presence blocked the involvement of other, more appropriate Roma or NGO organizations. Their consortium partner, TITRI background institute of the MoHC, was not significantly better equipped with professional resources related to Roma inclusion and project implementation activities. As a result, the implementation of a similar project was later on given over to the Ministry (MoHC).

The case study also underlines that between 2011 and 2020, Roma funding has been channelled through the Hungarian National Social Inclusion Strategy (NSIS) – Extreme Poverty, Child Poverty, the Roma – with an integrated approach and the principle of “explicit but not exclusive” targeting. The same principle that has been used in the case of the Roma strategy which tackles the social exclusion of Roma in the context of a broader national social inclusion strategy dealing with extreme poverty, child poverty and specific Roma conditions along with the four priority areas of the European Roma Framework Strategy i.e. education, employment, healthcare and housing. This approach made it impossible to assess the volume of the EU funds spent for Roma.

Download the case study [here](#).

Romania

The Policy Centre for Roma and Minorities in Romania provided two examples: one example focused on an integrated approach project, funded by ESF, making training and employment compulsory for several beneficiaries. This would result in getting beneficiaries with diplomas as hairdressers, tailors, security agents and other similar jobs. In one village, while the target was 150 people to get jobs for 6 months, they managed to have 100 jobs and only around 50% remained at the job for 6 months and longer. The main problem revealed was that the jobs were not geographically close to the beneficiaries but rather based in another locality where they depended on poor public transport. The example concludes that the EU funded project had an impact but not the one estimated in the project proposal, partially due to the lack of a good needs assessment of the beneficiaries.

A second examples focused on an ongoing European Social Fund project (Axis 4.1) that promoted an integrated approach in marginalised communities, implemented in one town in Romania with 3 disadvantaged communities, inhabited mostly by Roma. The project aimed at: preventing school drop out for 220 children, providing social services for 220 children, providing after school training for 380 adults, finding jobs for 258 adults, 25 micro grants for starting a business, providing assistance for making IDs, medical services and social services for 650 people, improving housing and actions aimed to reduce discrimination.

The project also included the renovation of blocks/ghettoes, where part of the residents did not have property or renting contracts. The building will be renovated, but the Roma living there with no document will have to leave, as they cannot receive a renting contract. Regarding the protection of human rights of the illegally occupying Roma residents, this project can be viewed as a failure, as local authorities were not able to come up with a solution in their case. They also did not include a proper estimation of the renovation costs or criteria for selection of the Roma households to be renovated, while a lot of educational activities were done only on paper. Although there were a lot of people employed in the project, no Roma beneficiary was found, especially because the project did not indicate the number of Roma and non-Roma beneficiaries.

Download the case study [here](#).

Slovakia

The case study in Slovakia included a project on improving the water situation in Slovakia, funded under the European Regional Development Fund through the Operational Program Human Resources and Priority Axis 6 - Technical Equipment in Municipalities with the Presence of Marginalized Roma Communities. The call was launched in April 2020 for an amount of EUR 10,000,000. In the 1st round 15 applications worth 2.01 mil. € were approved, with 2 projects already closed and evaluation underway. One locality that was approved in the first round is the village Soľ where the Roma population were using water from a dispenser. Since the project is still running, and no evaluation was yet conducted, there are no conclusions available yet.

The project was prompted by a survey of the Public Defender of Rights of the Slovak Republic from 2016 in settlements, which confirmed significant differences in securing the right to access drinking water in individual towns and villages, as well as the fact that there are still municipalities and settlements without drinking water for its inhabitants. In Dobšiná with a Roma settlement with 550 inhabitants there was no access to drinking water for 13 years. Residents draw water from a spring, which according to analyzes is not drinkable. In addition to the spring, they used water from a stream that flows through the settlement. Hodejov, a village with 1540 inhabitants, of which about 950 Roma live in a Roma settlement, does not have a water supply system. Residents draw water from wells, which according to the scientific analysis contains increased values of nitrates, the municipality is not

recommended for drinking. However, the municipality did not provide any alternative drinking water supply. The Roma in the village of Horná Lehota must also cover a long distance for the supply of drinking water. They live at the entrance of the village and depend on bringing drinking water from a tap, which is located in a cemetery up to 700 meters from Roma dwellings or an equally distant "overflow" on the reservoir in the village, where a platform was built to pump water. In some settlements, the water supply is in the form of a public sampling point. It is usually a manual water pump from which residents draw water. The cost of water pumped from the water pump is covered by the municipality. Approximately 1,000 inhabitants live in the Roma settlement in Sečovce, of which 200 live in two apartment buildings in which a water supply system is available. The other 800 inhabitants can draw water from the public water supply through a water pump for a limited time: 1.5 hours in the morning, 1.5 hours for lunch and 1 hour in the evening. Approximately 500 Roma live in the settlement in the village of Hranovnica in the district of Poprad. A water supply system has been installed in the settlement, currently only 9 water supply connections have been built. Residents draw water from a spring springing from the ground and also use it for drinking, despite the fact that there is a sign above the spring warning that its use for food purposes is prohibited. Several municipalities have not been able to ensure safe, clean, accessible and affordable drinking water and hygiene for all by their own steps and means. At the same time, limited access to drinking water and water has a significant impact on the health, hygiene of the individual, affects the overall quality of life, and his application in the human community. The survey confirms that the bearers of the task of ensuring access to drinking water are in practice municipalities. However, they do not have sufficient equipment to fulfill this fundamental right, nor sufficient resources in the municipal budget to meet the demands of the majority.

Download the case study [here](#).

General conclusions

The case studies showed that:

- EU Roma related funds are not always implemented adequately or in the best interest of the Roma communities it intends to target.
- Often Roma and CSOs are not consulted during the implementation of projects.
- despite considerable EU funds spent, the precarious situation of Roma where investments took place is deepening.
- There is a lack of adequate needs assessment of the target groups' situation to measure the adequacy and efficiency of the proposed actions.
- There are restrictive conditions for participation of NGOs, which in most cases limited in practice the participation of the Roma community itself as an active party in the implementation of activities.
- The project implementation guidelines may discriminate against NGOs putting them at a disadvantage compared to other partners -i.e. NGOs cannot receive advance payments due to the impossibility of guaranteeing this payment
- NGOs may have problems receiving project indirect costs, which may stop the process of effective management of project activities
- There are unnecessary, bureaucratic requirements for reporting on activities, which further burdens the work of partner civil society organizations.
- The management of the procedures may pose challenges for the implementation of projects. In Bulgaria, the procedure was conceived as integrated and is applied under two different operational programmes. In the process of implementation, however, the projects were divided into two parts, under 2 different programmes and Managing authorities, which had their own separate requirements, guidelines and procedures, often very different from one

another - which made the reporting process very difficult at the expense of the implementation of activities.

General recommendations to prevent the inadequate use of EU funds

- To ensure real involvement of Roma representatives and CSOs in the planning, implementation and monitoring of policies, measures and activities for the social inclusion of the Roma community. This will improve the process of identifying and prioritizing needs and planning adequate activities, and also motivate the Roma themselves to participate in the process.
- To provide equal opportunities for NGOs to participate in the technical procedures - providing advance payments, logistical support for the implementation of activities and, if necessary, preferential conditions for participation in certain procedures.
- Improving procedures and reducing bureaucratic requirements.
- Improving the communication between the different managing authorities in integrated procedures and the introduction of uniform requirements to the beneficiaries.
- The monitoring of the quality of processes involving Roma is missing. Beyond lists and topics for meetings, the feedback of the beneficiaries during the implementation is necessary.
- Ensure quality evaluation of the implementation of EU funds for Roma. Ideally it should be an independent one and civil society should be involved in it.
- Publish transparent, traceable, accountable, comprehensive information about the use of EU funds including the quantitative and qualitative results of the individual programs. A virtual space where beneficiaries and managers of the projects can come together and talk about shortcomings.
- Awareness raising to mobilize greater public support for action against poverty and for inclusion of Roma is necessary.
- Establishing appropriate conditions, including adequate financial set-up to involve NGOs and make their participation a pre-condition.
- Capacitate local authorities for the adequate implementation of the projects – human resources.
- Use the tool of social economy to improve Roma inclusion.

Recommendations to promote transparency and fundamental rights in EU funding

- Follow-up advocacy at European and national level to introduce intermediary evaluations during the project implementation process and qualitative indicators, followed by financial corrections.
- The new Civil Monitor project can also be an advocacy tool in that direction.
- Further partnership with the Fundamental Rights Agency and more Roma in the Monitoring Committees of the operational programmes.